

- CASE 8546: Application of Hicks Oil & Gas, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Gallup formation in the perforated interval from approximately 5684 feet to 5706 feet in its S.E. Cha Cha Unit Well No. 16 located 1980 feet from the North line and 660 feet from the East line of Section 17, Township 28 North, Range 13 West.
- CASE 8547: Application of Hicks Oil & Gas, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Gallup formation in the perforated interval from approximately 5689 feet to 5696 feet in its S.E. Cha Cha Unit Well No. 34 located 1980 feet from the North and West lines of Section 22, Township 28 North, Range 13 West.
- CASE 8548: Application of Hicks Oil & Gas, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Gallup formation in the perforated interval from approximately 5623 feet to 5627 feet in its S.E. Cha Cha Unit Well No. 20 located 1980 feet from the North and West lines of Section 17, Township 28 North, Range 13 West.

CASE 8549: (This Case will be Dismissed)

Application of Clements Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Tres Papalotes-Pennsylvanian Pool underlying the SE/4 of Section 8, Township 15 South, Range 34 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8468: (Continued from February 27, 1985 Examiner Hearing)

Application of Damson Oil Corporation for certain findings for an infill well in San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order determining that the Getty Oil Company (Texaco Inc.) operated Mexico Federal "K" Well No. 1-E located 1190 feet from the South line and 2020 feet from the West line of Section 8, Township 28 North, Range 10 West, NMPM, Basin-Dakota Pool, the previously approved 319.67-acre non-standard gas proration unit comprising Lots 1, 2, and 3, the SE/4 SW/4 and the S/2 SE/4 of partial Section 8 and Lots 3 and 4 and the S/2 SW/4 of partial Section 9, both in Township 28 North, Range 10 West, dedicated to the subject well in which Damson Oil Corporation owns an interest; is an authorized "infill well" within a designated pool where a second well on an established gas proration and drilling unit is necessary to recover additional gas from the pool; was drilled for the purpose of increasing the recovery of gas from the pool; and the operator has done nothing to restrict the ability of the original well in the above-described proration unit to produce into the pipeline; and, further, that said well is exempt from the provisions of the New Mexico Natural Gas Pricing Act (62-7-1 through 62-7-10, NMSA, 1978) pursuant to Laws of 1984, Chapter 123, Section 13.B.

CASE 8469: (Continued from February 27, Examiner Hearing)

Application of Damson Oil Corporation for certain findings for an infill well in San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order determining that the Mesa Petroleum Co. operated McLeod Well No. 2-E located 1530 feet from the North line and 930 feet from the West line of Section 34, Township 28 North, Range 10 West, NMPM, Basin-Dakota Pool, the S/2 of said Section 34 dedicated to the subject well in which Damson Oil Corporation owns an interest; is an authorized "infill well" within a designated pool where a second well on an established gas proration and drilling unit is necessary to recover additional gas from the pool; was drilled for the purpose of increasing the recovery of gas from the pool; and the operator has done nothing to restrict the ability of the original well in the above-described proration unit to produce into the pipeline; and, further, that said well is exempt from the provisions of the New Mexico Natural Gas Pricing Act (62-7-1 through 62-7-10, NMSA, 1978) pursuant to laws of 1984, Chapter 123, Section 13.B.

- CASE 8550: Application of R. N. Ainsworth for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation through the Halvey Energy Company State Well No. 1 located 2310 feet from the South line and 660 feet from the West line (Unit L) of Section 30, Township 12 South, Range 38 East.

CASE 8323: (Reopened)

In the matter of Case No. 8323 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Division Order No. R-7693-A, which order granted Yates Petroleum Corporation 45 days in which to determine if the Pan American Flint Gas Com Well No. 1 located 1980 feet from the South and East lines of Section 22, Township 18 South, Range 26 East, is capable of commercial oil and gas production. Yates Petroleum Corporation may appear and show cause why said Pan American Flint Gas Com Well No. 1 should not be utilized as a salt water disposal well.

- CASE 8543: Application of Amoco Production Company for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1050 feet from the South line and 1090 feet from the East line of Section 5, Township 27 North, Range 12 West, Gallup formation, the SE/4 SE/4 (Unit P) of said Section 5 to be dedicated to the well.
- CASE 8544: Application of Amoco Production Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 515 feet from the South line and 770 feet from the East line of Section 14, Township 28 North, Range 13 West, Basin-Dakota Pool, the S/2 of said Section 14 to be dedicated to the well.
- CASE 8471: (Continued from January 30, 1985, Examiner Hearing)(This Case will be continued to April 24, 1985)
- Application of Amoco Production Company for NGPA Wellhead Price Ceiling Category Determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the determination that its Wood Gas Com "A" Well No. 1 located in the NW/4 NE/4 of Section 4, Township 31 North, Range 10 West, NMPM, Cedar Hill Fruitland Basal Coal Gas Pool, meets the NGPA well category criteria for Section 107, High Cost Occluded Gas Produced from Coal Seams, under Section 107 of the Natural Gas Policy Act of 1978.
- CASE 8476: (Reopened and Readvertised)
- Application of Cavalcade Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the SW/4 NW/4 of Section 18, Township 12 South, Range 38 East, to be dedicated to a well to be re-entered or, in the alternative, to a new well to be drilled, either well to be located at a standard location thereon. Also to be considered will be the cost of re-entering or drilling and completing a well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8521: (Continued from March 13, 1985, Examiner Hearing)
- Application of Cavalcade Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NW/4 SW/4 of Section 18, Township 12 South, Range 38 East, to form a standard 40-acre oil spacing and proration unit, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8503: (Continued and Readvertised)
- Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 990 feet from the South line and 2310 feet from the East line (Unit O) of Section 35, Township 15 South, Range 36 East, Dean-Devonian Pool, the W/2 SE/4 of said Section 35 to be dedicated to the well.
- CASE 8545: Application of Myco Industries for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the perforated interval from 13,820 feet to 14,200 feet in the Shell Oil Company Big Eddy Unit Well No. 1 located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 36, Township 21 South, Range 28 East.
- CASE 8512: (Continued and Readvertised)
- Application of Gary-Williams Oil Producer for an unorthodox oil well location, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its Taylor "32" Well No. 6 located 1789 feet from the North line and 2107 feet from the West line of Section 32, Township 21 North, Range 3 West, Rio Puerco-Mancos Oil Pool, the W/2 of said Section 32 to be dedicated to the well.
- CASE 8525: (Continued from March 13, 1985, Examiner Hearing)
- Application of Hicks Oil & Gas, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Cha Cha-Gallup Oil Pool in the perforated interval from 5492 feet to 5824 feet in its Southeast Cha Cha Unit Well No. 37 located 550 feet from the South line and 2100 feet from the East line (Unit O) of Section 15, Township 28 North, Range 13 West.

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CASE 8453: Application of Chama Petroleum Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line of Section 10, Township 20 South, Range 25 East, Pennsylvanian formation, the W/2 of said Section 10 to be dedicated to the well.

CASE 8445: (Continued from January 3, 1985, Examiner Hearing)

Application of GeoEngineering, Inc. for an exception to General Rules 104-F and 104 C.I., McKinley County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rules 104-F and 104 C.I. of the Division's General Rules and Regulations within portions of Sections 20, 21, 22, 27, 28, 29, and 30, all in Township 20 North, Range 9 West, to provide for Mesaverde oil wells to be located not nearer than 10 feet to the quarter-quarter section line nor nearer than 165 feet to lands owned by an offset operator and to also permit applicant to develop the Mesaverde formation within said area with more than four wells on each 40-acre tract.

CASE 8323: (Reopened)

Application of Blanco Engineering, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Atoka Penn formation in the perforated interval from 9,094 feet to 9,116 feet in its Pan American Flint Gas Com Well No. 1 located in Section 22, Township 18 South, Range 26 East.

CASE 8454: Application of TXO Production Company for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the S/2 of Section 2, Township 22 South, Range 27 East, to be dedicated to a well to be drilled at an unorthodox gas well location 660 feet from the South and East lines of said Section 2, East Carlsbad-Morrow Gas Pool. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8455: Application of TXO Production Corporation for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 14, Township 22 South, Range 27 East, to be dedicated to a well to be drilled at an unorthodox gas well location 1907 feet from the North line and 635 feet from the West line of said Section 14. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8456: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the South Hackberry-Bone Spring Pool. The discovery well is the Perry R. Bass Big Eddy Unit Well No. 33 located in Unit P of Section 4, Township 20 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM
Section 4: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Scoggin Draw-Strawn Gas Pool. The discovery well is the Amoco Production Company Federal DH Gas Com Well No. 1 located in Unit M of Section 11, Township 18 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 11: S/2

- (c) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 25: S/2
Section 26: S/2
Section 35: N/2

4-85 and 5-85 are tentatively set for January 30 and February 13, 1985. Applications for hearing be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 16, 1985

8 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner, Alternate Examiner.

CASE 8440: (Continued and Readvertised)

Application of Conoco Inc. to amend Administrative Division Order DBC-417, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Administrative Division Order DHC-417 to allow its State H-35 Well No. 9 located in Unit H of Section 35, Township 17 South, Range 34 East, to produce approximately 120 more barrels of water per day than presently allowed.

CASE 8437: (Continued from December 19, 1984, Examiner Hearing)

Application of Champlin Petroleum Company for two waterflood projects, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its State 5-8-33 Lease by the injection of water into the San Andres formation through the perforated interval from 4223 feet to 4401 feet in its State 5-8-33 Well No. 5 located 1980 feet from the North and East lines (Unit G) of Section 5, and to also institute a waterflood project on its State 5-A Lease by the injection of water into the San Andres formation through the perforated interval from 4216 feet to 4398 feet in its State 5-A Well No. 1 located 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 5, both wells located in Township 8 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Chaves County.

CASE 8448: Gary-Williams Oil Producer, Inc. for pool extension, amendment of Division Order No. R-7471 and for twelve non-standard oil proration units, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Rio Puerco-Mancos Oil Pool to include Sections 3, 4, 5, 8, 9, 10, 15, 16, and 17 of Township 20 North, Range 2 West, Sections 19 through 22 and 27 through 34 of Township 21 North, Range 2 West, Sections 21 through 28 of Township 20 North, Range 3 West, and Sections 25, 26, 35 and 36 of Township 21 North, Range 3 West and the amendment of the SPECIAL RULES AND REGULATIONS FOR THE RIO PUERCO-MANCOS OIL POOL, as promulgated in Division Order No. R-7471, to further restrict the well location requirements. Applicant further seeks approval of twelve non-standard oil proration and spacing units, all within the above-described pool extension area and necessitated by irregularities in section sizes and shapes, each comprised of various contiguous lots and/or tracts in Sections 3, 4, and 5 of Township 20 North, Range 2 West and Sections 19, 30, and 31 of Township 21 North, Range 2 West.

CASE 8449: Application of Tenneco Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin Dakota Gas Pool underlying the N/2 of Section 11, Township 29 North, Range 10 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8450: Application of Robert E. Chandler Corporation for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Blinebry formation underlying a non-standard oil proration unit, consisting of approximately 25.9 acres, comprising Lot 4 of Section 29, Township 18 South, Range 39 East, NMPM, East Hobbs-Blinebry Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8451: Application of Robert L. Bayless for an unorthodox well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 560 feet from the South line and 890 feet from the West line of Section 16, Township 23 North, Range 4 West, NMPM, Ballard Pictured Cliffs Gas Pool, the SW/4 of said Section 16 to be dedicated to the well.

CASE 8452: Application of Spence Energy Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1980 feet from the South and East lines of Section 25, Township 9 South, Range 32 East, South Flying "M"-Pennsylvanian Pool, the N/2 SE/4 of said Section 25 to be dedicated to the well.